REMARKS

By the present amendment, claim 27 has been amended to depend on claim 1 instead of claim 13, and new claims 35-37 have been added. Support for claims 35-37 is found in the original application, for example in the Figures and accompanying text and on page 3, lines 25-26.

Claims 1, 3-6, 8-14, 16-27, and 29-37 are pending in the present application. Claims 1, 12, 13, and 37 are the only independent claims.

In the Office Action, claims 1, 3, 4, 6, 8, 11-14, 16, 19-22, 24,-25, 27, and 30 are rejected under 35 U.S.C. 103(a) as obvious over US 6,381,068 to Harada et al. ("Harada"), claims 9 and 17 are rejected under 35 U.S.C. 103(a) as obvious over Harada in view of US 5,880,800 to Mikura et al. ("Mikura"), and claims 1-8, 10-16, 18-27, 29, and 31-34 are rejected under 35 U.S.C. 103(a) as obvious over US 5,999,243 to Kameyama et al. ("Kameyama") in view of Harada.

Reconsideration and withdrawal of the rejections is respectfully requested. As acknowledged in the Office Action, Harada is completely silent regarding a light-diffusion pressure-sensitive adhesive layer. Further, contrary to the assertion in the Office Action at page 3, last three lines of second paragraph, it is <u>not</u> "common and known in the art to integrate plural layers into one to reduce the number of layers and thus reduce manufacturing cost and make the device thin and compact."

In particular, the person of ordinary skill in the art would have found no guidance in the cited references as to which, if any, optical layers could be eliminated or altered from the display of Harada, or as to which, if any, additional optical layers could be combined within the display of Harada. It is submitted that optical effects of eliminating or modifying optical layers are difficult to predict, in particular with regard to the viewing angles and coloring uniformity, which might be of concern when diffusing layers are involved.

More specifically, Harada discloses a conventional diffusing plate which is made of a transparent base in which uncolored transparent microparticles are dispersed. Such a diffusing member is inflexible, and the surrounding of the microparticles are fixed. Thus, when a polarizing member is produced by using a conventional diffusing plate, the diffusing member tends to be distorted due to stress applied during a production step (lamination, bonding, cutting or the like) or after the production process (during transportation or the like). As a result, the polarization is partly canceled, so that the efficiency of the polarization effect will be degraded, or a phase contrast occurs that causes coloring in the transmitted light, thereby damaging considerably the display quality of the display device.

However, Harada is completely silent as to any problems or insufficiencies of its diffusing plate, let alone any suggestion as to improvements thereto. Further, Harada is also completely silent as to improvements to viewing angle and coloring uniformity, and in particular, Harada does not provide any guidance or motivation to improve on viewing angle or coloring by modifying its diffusing plate, as opposed to other measures. Therefore, even if, arguendo, a person of ordinary skill in the art had developed a motivation to attempt to improve on the construction of Harada, that effort would not have been led to focus on the diffusing plate nor to modify it as provided in the present invention, because the person of ordinary skill in the art would not have derived any guidance or expectation of success from Harada regarding whether and how to modify, eliminate, or replace the diffusing plate of Harada.

In contrast, the present inventors have unexpectedly discovered that, in the presently claimed invention, an advantage of the light-diffusion pressure-sensitive adhesive layer is that it is possible to provide flexibility derived from the adhesive layer, in that the layer can be formed, for example, by including uncolored transparent particles in a pressure-sensitive adhesive layer as

described in the present specification, in which case the surroundings of the uncolored transparent particles are flexible. As a result, in the light-diffusion pressure-sensitive adhesive layer, stress generated in the above-mentioned conditions can be relieved by the flexible pressure-sensitive adhesive layer, so that an unpredictable phase contrast can be avoided and excellent polarization performances and display quality can be obtained. Therefore, coloring can unexpectedly be suppressed over a wide viewing angle range, including a frontal viewing angle and various slant viewing angles, as described in the present specification.

In addition, another advantage of the light-diffusion pressure-sensitive adhesive layer is that it can fulfill functions of both a diffusing plate and a pressure-sensitive adhesive, so that it is possible to reduce the interface between layers, as compared to providing both a diffusing plate and a pressure-sensitive adhesive layer. As a result, it is possible to reduce optical losses caused by interfacial reflection, so that a display device with a higher brightness can be obtained. Such effect is particularly advantageous in a liquid crystal display in which polarization is used repeatedly by means of a reflection layer and/or a polarization member to use transmitted light.

Harada is completely silent as to these features of the presently claimed invention, and the other cited references fail to remedy these deficiencies of Harada. Therefore, the present claims are not obvious over Harada taken alone or in any combination with the other cited references.

In addition, with respect to claims 12 and 35-37, it is submitted that Harada is concerned only about the direction of the light reflected by the reflective polarizer, for which the relative position of the diffuser is not critical. More specifically, the diffuser will modify the direction of the reflected light essentially in the same manner, whether the diffuser is in front of the quarterwave plate or behind the quarterwave plate. In addition, even if the diffuser modifies the light properties, this is of little concern in Harada because after leaving the screen, the light is

simply transmitted to the viewer without further modifications. In contrast, in the display devices of present claims 12 and 35-37, light exiting the optical element comprising the reflective polarizer are expected to be transmitted through several optical layers, often including polarizing layers and liquid crystal cell. Therefore, optical transformations occurring in the optical element are more likely to be amplified in the light finally transmitted to the viewer. As a result, Harada fails completely to provide a motivation to move a conventional diffuser from the front of the liquid crystal display, as in Kameyama, to a position more toward the rear, such as behind a retardation plate. Therefore, each of present claims 12 and 35-37 is not obvious over Harada taken alone or in any combination with the other cited references.

With respect to the other dependent claims, the cited references are also completely silent as to the combinations of features recited in these respective claims. Therefore, these respective claims are not obvious over the cited references taken alone or in any combination.

In view of the above, it is submitted that the rejections should be withdrawn.

In conclusion, the invention as presently claimed is patentable. It is believed that the claims are in allowable condition and a notice to that effect is earnestly requested.

In the event there is, in the Examiner's opinion, any outstanding issue and such issue may be resolved by means of a telephone interview, the Examiner is respectfully requested to contact the undersigned attorney at the telephone number listed below.

In the event this paper is not considered to be timely filed, the Applicants hereby petition for an appropriate extension of the response period. Please charge the fee for such extension and any other fees which may be required to our Deposit Account No. 50-2866.

Respectfully submitted,

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